19 February 1976

1. Fundamental tasks of CFI; among other things, E.O. requires CFI to:
   -- control budget preparation and resource allocation for NFIP
   -- establish policy priorities for collection and production of national intelligence
   -- establish policy for management of NFIP

2. The DCI's Intelligence Community Staff, headed by one of two deputies to the DCI, to provide support to CFI.

   -- current thinking as to type to be named to be the Community deputy.
   -- need to examine structure and composition of IC Staff to accomplish its job. (Have asked IC Staff for ideas CFI can consider; at a minimum, it behooves us all to see to it ICS is strongly staffed as a Community (not just a DCI) asset.)

3. Currently lean to two geographically separate DCI offices -- one at Langley for CIA business, another in town for Community activities.

4. Production of national intelligence is something separate from CFI concerns; currently giving thought to how to arrange new and effective organization to succeed USIB.

   -- In the meantime, will continue USIB and most of its subordinate components to avoid sudden break in efficiency.

5. In terms of using the best and most appropriate USIB expertise to augment IC Staff in supporting CFI, am giving thought to merging IC Staff with USIB's COMIREX (imagery), SIGINT, and Human Resources (Humint) Committees.

   -- These Committees set priorities for collection and processing of data related to NFIP, the programs of concern to CFI.
   -- Merging of these Committee Staffs with IC Staff may permit some reduction of IC Staff size.

6. In addition to those charges given to the CFI in the E.O., believe it will be necessary to insure CFI collaborates and consults on other matters of major concern. Among these, all in need of improvement, are:

   -- strategic warning (this should always be one of our prime concerns)
   -- crisis management (finding better ways to relate policy concerns and intelligence data)
   -- evaluation of the Intelligence Community's performance, from requirements to collection to production. (Current evaluation processes are in their infancy and need improvement. IC Staff currently exploring ways to improve those processes.)

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7. Without in any way interfering with DoD budget cycles, we need to devise a cycle that permits adequate time for CFI to consider NIFP programs and budgets. IC Staff has suggested such an arrangement. *(attached)*

     -- Suggest IC Staff and DoD associates consider the ICS suggestions and see what can be agreed.

8. E.O. calls for redrafting of NSCID's and DCID's within 90 days to be consistent with E.O.'s.

     -- Suggest IC Staff chair a group to consider NSCID's. Reps to be supplied by each CFI member. Alternatives include one "omnibus" NSCID or amendment of each now in existence.

     -- IC Staff will chair a group of reps from DSD(I) and each of the current USIB principals to amend DCID's, subject to DCI approval. (This is DCI business; not directly related to CFI).

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